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# **Trends**

## **in Wisconsin**

# **Home Health**

## **1991-2001**

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*Bureau of Health Information  
Division of Health Care Financing  
Wisconsin Department of Health and Family Services*

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# **Trends in Wisconsin Home Health 1991-2001**

*September 2003*

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*Bureau of Health Information  
Division of Health Care Financing  
Wisconsin Department of Health and Family Services*

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## Foreword

*Trends in Wisconsin Home Health, 1991-2001* presents a series of graphs and tables that illustrate various aspects of Wisconsin home health care over the period 1991 to 2001. The source of data for most of the information in this report is the Annual Survey of Home Health Agencies. This survey is conducted every year by the Wisconsin Department of Health and Family Services, Division of Health Care Financing, Bureau of Health Information, in cooperation with the Division of Health Care Financing, Bureau of Fee-for-Service Health Care Benefits; the Division of Disability and Elder Services, Bureau of Quality Assurance; and Wisconsin-licensed home health agencies. Each year, an annual report has been published also using this Annual Home Health Survey data. The purpose for this periodic trend report is to provide users with some detailed and up-to-date trend information which could not be included in the annual report.

This survey collects information from agencies that provide both home health care and personal care, as well as those that provide home health care only. **It does not collect information from agencies that provide personal care only.** In general, home health care services may include the following services in accordance with the patient's plan of care: skilled nursing, respiratory care, home health aide, personal care, medication management, medical social services, and physical, occupational, and speech and language therapies. Home health agencies may also provide durable medical equipment and durable medical supplies. Personal care services assist an individual with activities of daily living necessary to maintain the individual in his or her place of residence in the community. Personal care may include assistance with bathing, transferring, personal hygiene, changing bedding and clothing, toileting, meal preparation, and light housekeeping.

In most survey years, a few home health agencies did not submit certain categories of data. For example, two of the 188 home health agencies in 1993 did not submit financial data. Thus, patient counts, agency counts, or financial totals may differ from one table to another. In every case, the percentages or rates are based on the true sum of aggregated data as reported by the agencies.

The Bureau of Health Information would like to acknowledge and thank the personnel of Wisconsin home health agencies who provided information on their agencies and the patients they serve.

Yiwu Zhang, lead analyst for the project, prepared this report. Jane Conner coordinated and implemented the data collection and editing activities. Kitty Klement, LuAnn Hahn and Kim Voss implemented survey follow-up and data editing activities. Patricia Nametz edited the report. Review and comments were provided by Marjorie Hannon Pifer and Matthew Fanale in the Bureau of Fee-for-Service Health Care Benefits, and Jeanne Siroky in the Bureau of Quality Assurance. The report was prepared under the supervision of Martha Davis, Chief of the Workforce and Provider Survey Section, and the overall direction of John Chapin, Director, Bureau of Health Information. Suggestions, comments and requests for additional home health agency data may be addressed to:

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## **Introduction**

Few industries in the U.S. are as profoundly affected by government policy as health care. National and state governments account for almost half of all U.S. health care expenditures each year. As a result, changes in government policy often determine what happens in health care as a whole.

Home health care is no exception. A rapid expansion in home health care began nationwide in 1989 when changes in Medicare regulations expanded eligibility and eliminated a cap on number of visits. As a result, the home health industry experienced substantial increases in the number of provider agencies, the number of patients served, and agency revenues. This upward trend continued until 1997.

As part of the federal Balanced Budget Act passed in October 1997 (BBA 97), Congress included provisions intended to eliminate fraud and abuse and curb the escalating growth of Medicare expenditures for home health care. Medicare reimbursements for home health care were reduced to 1994 levels. Nationally, this resulted in the closure of 14 percent of Medicare-certified home health agencies between October 1, 1997 and January 1, 1999, according to the U.S. General Accounting Office.

In Wisconsin in 1997, nine Wisconsin home health agencies surrendered their licenses due to either closure or merger with other agencies. In 1998, 21 agencies closed or merged. In 1999, the number of home health agencies declined by 15 (19 agencies closed or merged and four agencies opened). In 2000, there was a net decline of two agencies. In 2001, six home health agencies closed and one opened. Over the period 1997-2001, the total number of home health agencies in Wisconsin declined 21 percent, with governmental agencies declining 24 percent, nonprofit agencies 15 percent, and proprietary agencies 28 percent.

This report summarizes trend information for the Wisconsin home health care industry for the period 1991 to 2001. It is divided into three sections: agency trends, patient trends, and trends in agency revenue and expenses.



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## Key Findings

- The total number of home health agencies licensed to serve Wisconsin residents decreased by 20 (12 percent) from 1991 to 2001.
- The average number of home health visits per patient, after increasing from 47 in 1991 to 59 in 1993, decreased to 47 in 2001.
- Between 1991 and 2001, the average number of hours per visit declined 38 percent, from 2.4 hours to 1.5 hours.
- Average hours per visit decreased 54 percent for governmental agencies, 26 percent for nonprofit agencies, and 38 percent for proprietary agencies.
- Statewide, the average number of skilled nursing visits per patient decreased from 21 to 14 visits between 1991 and 2001.
- The average number of home health aide visits per patient statewide declined 31 percent.
- Between 1991 and 2001, the average number of home health patients served increased 21 percent for each full-time registered nurse (RN), 27 percent for each part-time RN, 90 percent for each full-time licensed practical nurse (LPN), and 160 percent for each part-time LPN.
- In 1991, on average, there were 12 home health patients for each full-time equivalent (FTE) home health employee in Wisconsin. In 2001, there were 15 home health patients for each FTE.
- The average number of patients served by each personal care worker (PCW) in home health agencies declined 72 percent for part-time PCWs and 50 percent for full-time PCWs between 1993 and 2001.
- The number of full-time personal care workers (PCWs) employed by home health agencies increased 378 percent and the number of part-time PCWs increased 189 percent.
- Between 1991 and 2001, total home health admissions in Wisconsin increased 16 percent, and total discharges increased 18 percent.
- After peaking at 86,866 in 1997, the number of home health patients in Wisconsin declined 19 percent from 1997 to 2001. The number of patients in 2001 was, however, still 11 percent higher than in 1991.
- The home health utilization rate in Wisconsin increased between 1991 and 1997 (from 12 to 17 per 1,000 population), and declined since 1997 (to 13 per 1,000 population in 2001).
- The number of home health patients aged 85 and older increased 59 percent between 1991 and 2001. During this time, the number of Wisconsin adults in this age group increased only 28 percent.
- Females accounted for between 58 percent and 63 percent of home health patients in each year from 1991 to 2001.

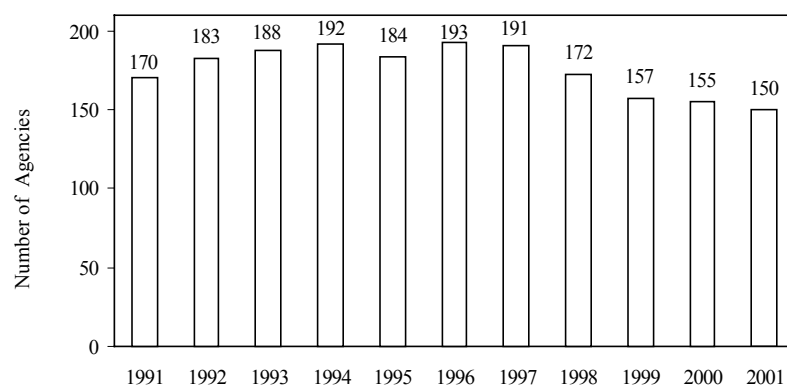


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- The number of home health patients with chronic conditions increased 15 percent between 1991 and 2001, while the number of home health patients overall increased only 11 percent.
  - The number of patients receiving home health care on a typical day increased 37 percent from 1991 to 1996, then declined 40 percent from 1996 to 2001. The overall decline from 1991 to 2001 was 18 percent.
  - In 1991, there were two and a half times as many Wisconsin home health patients whose care was paid for by Medicare than Medicaid. In 2001, the ratio increased to 3.9 Medicare patients for each Medicaid patient.
  - The number of home health patients with Medicare as a source of payment increased 45 percent between 1991 and 1997 (from 37,100 to almost 53,700), then declined to 41,000 in 2001 (24 percent).
  - On average, each Wisconsin home health agency had a loss of nearly \$78,500 in 2001, compared to an average profit of \$23,900 in 1991.
  - On average, each nonprofit agency reported \$17,500 in net revenue in 1991, compared to an average deficit of \$115,760 in 2001. The average proprietary agency reported net revenue of \$80,400 in 1991, compared to a loss of \$14,670 in 2001. Government agencies reported net losses throughout this period.
  - After reporting a record loss of \$25.8 million statewide in 1999, Wisconsin home health agencies cut their loss by 54 percent to \$11.8 million in 2001.
  - Total annual Medicare payments to Wisconsin home health agencies increased 165 percent from 1991 to 1997, then declined 37 percent from 1997 to 2001. The overall increase in Medicare payments between 1991 and 2001 was 67 percent.
  - Total annual Medicaid payments to Wisconsin home health agencies decreased about 9 percent between 1991 and 2001.
  - The average Medicare payment per Wisconsin home health patient increased 51 percent from 1991 to 2001 (from \$1,430 to \$2,160).

# Agency Trends

- The total number of home health agencies licensed to serve Wisconsin residents decreased by 20 (12 percent) from 1991 to 2001 (Figure 1).
- Of the 170 home health agencies licensed in Wisconsin in 1991, 63 (37 percent) had closed by 2001. Of these closed home health agencies, 18 (29 percent) were governmental, 23 (36 percent) were nonprofit, and 22 (35 percent) were proprietary (Table 1).

**Figure 1. Number of Home Health Agencies, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Table 1. Number and Percent of Home Health Agencies by Agency Ownership, Wisconsin 1991-2001**

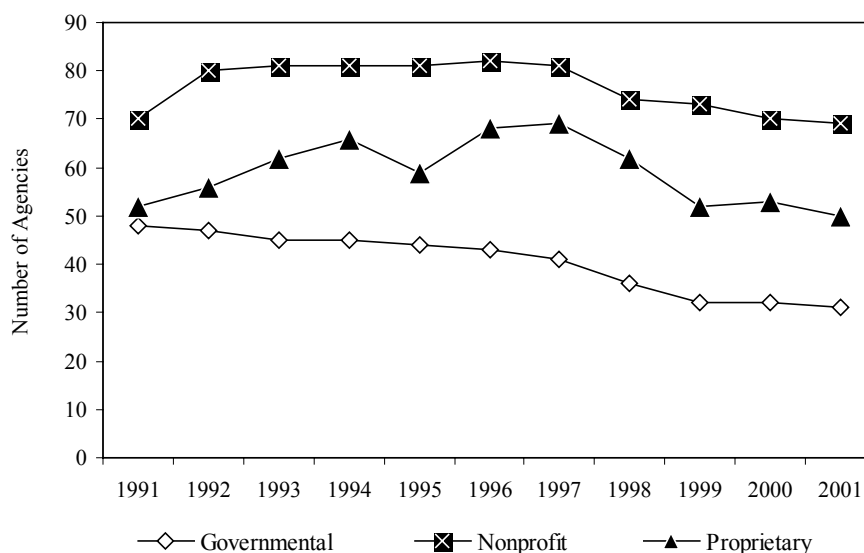
Year	All Agencies	Governmental		Nonprofit		Proprietary	
		Agencies	Percent	Agencies	Percent	Agencies	Percent
1991	170	48	28%	70	41%	52	31%
1992	183	47	26	80	44	56	31
1993	188	45	24	81	43	62	33
1994	192	45	23	81	42	66	34
1995	184	44	24	81	44	59	32
1996	193	43	22	82	42	68	35
1997	191	41	21	81	42	69	36
1998	172	36	21	74	43	62	36
1999	157	32	20	73	46	52	33
2000	155	32	21	70	45	53	34
2001	150	31	21%	69	46%	50	33%

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Agency Trends

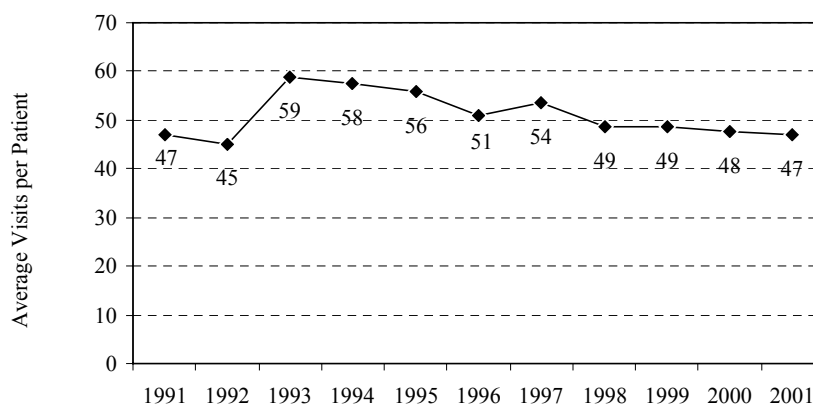
- The number of nonprofit agencies, after reaching an all-time high of 82 in 1996, decreased to 69 in 2001. Governmental agencies declined 35 percent (17 agencies) from 1991 to 2001, and proprietary agencies decreased 4 percent (2 agencies) (Figure 2).
- The average number of home health visits per patient, after increasing from 47 in 1991 to 59 in 1993, declined to 47 in 2001 (Figure 3).

**Figure 2. Number of Home Health Agencies by Agency Ownership, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 3. Average Number of Home Health Visits per Patient, Wisconsin 1991-2001**

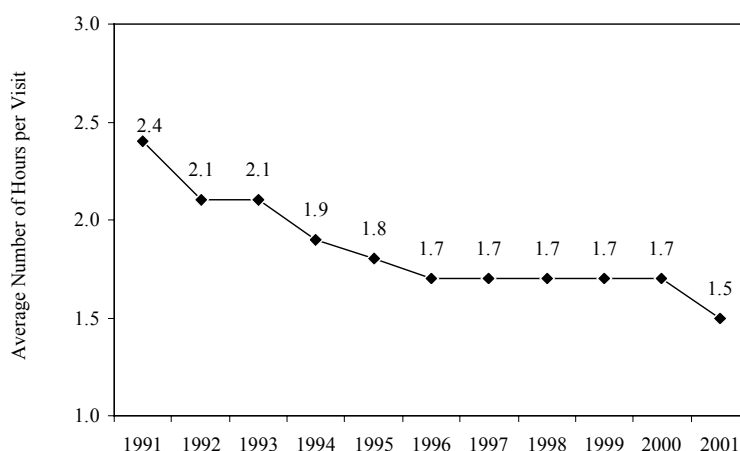


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Agency Trends

- Between 1991 and 2001, the average number of hours per visit declined 38 percent, from 2.4 hours to 1.5 hours (Figure 4).
- Average hours per visit decreased 54 percent for governmental agencies, 26 percent for nonprofit agencies, and 38 percent for proprietary agencies (Table 2).
- From 1991 to 2001, the average number of home health visits per patient increased 22 percent for governmental agencies, 32 percent for proprietary agencies, but decreased 8 percent for nonprofit agencies. Since 1999, proprietary agencies have made three times as many visits per patient as governmental and nonprofit agencies.

**Figure 4. Average Number of Hours per Home Health Visit, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: In 1992, Medicaid reimbursement for home health aides changed from an hourly rate to a per-visit rate. Reimbursement for travel, documentation time, and nurse supervision was incorporated into this per-visit rate.

**Table 2. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, All Visits, Wisconsin 1991-2001**

ALL VISITS								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Visits per Patient	Hours per Visit	Visits per Patient	Hours per Visit	Visits per Patient	Hours per Visit
1991	46.9	2.4	31.7	2.8	35.8	1.9	89.2	2.9
1992	45.0	2.1	31.9	1.6	38.0	1.9	74.7	2.7
1993	58.7	2.1	41.3	1.8	52.8	1.9	87.4	2.4
1994	57.6	1.9	42.0	1.5	50.5	1.7	88.2	2.3
1995	55.9	1.8	45.4	1.4	50.1	1.6	81.5	2.2
1996	50.8	1.7	47.2	1.3	43.7	1.6	79.7	2.2
1997	53.5	1.7	48.7	1.2	42.3	1.5	99.2	2.2
1998	48.7	1.7	45.8	1.3	38.5	1.5	91.1	2.2
1999	48.7	1.7	41.8	1.4	35.7	1.4	125.4	2.3
2000	47.7	1.7	41.8	1.3	34.6	1.4	114.5	2.1
2001	46.8	1.5	38.6	1.3	32.9	1.4	117.8	1.8

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Agency Trends

- Statewide, the average number of skilled nursing visits per patient decreased from 21 to 14 visits between 1991 and 2001. For governmental agencies, skilled nursing visits per patient decreased from 16 to 14. For nonprofit agencies, average visits per patient declined from 18 to 13 visits, and for proprietary agencies, the average decreased from 34 to 22 visits.
- The average number of home health aide visits per patient statewide declined 31 percent.
- The average number of home health aide visits per patient was at least 2.6 times higher for proprietary agencies than for governmental and nonprofit agencies.

**Table 3. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Skilled Nursing Visits, Wisconsin 1991-2000**

<b>SKILLED NURSING VISITS</b>								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Governmental	Nonprofit	Proprietary	Visits per Patient	Hours per Visit	Visits per Patient
1991	20.8	2.1	15.7	2.6	17.9	1.6	33.8	2.4
1992	19.7	1.8	15.5	1.6	17.3	1.7	31.2	2.1
1993	19.3	1.6	15.5	1.9	17.4	1.5	28.0	1.6
1994	19.0	1.2	15.6	1.2	17.3	1.0	27.0	1.7
1995	18.6	1.3	16.8	1.1	18.0	1.2	22.1	1.7
1996	16.5	1.2	17.7	1.1	16.1	1.2	17.3	1.2
1997	17.8	1.2	18.0	1.1	16.8	1.1	21.9	1.5
1998	16.7	1.1	15.8	1.2	15.4	1.0	22.9	1.5
1999	14.7	1.1	13.8	1.4	13.8	1.0	20.7	1.5
2000	15.5	1.1	13.8	1.0	14.3	1.0	22.8	1.7
2001	14.2	1.0	13.8	1.0	12.6	0.9	22.1	1.3

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Table 4. Average Number of Home Health Visits per Patient and Average Hours per Visit by Agency Ownership, Home Health Aide Visits, Wisconsin 1991-2000**

<b>HOME HEALTH AIDE VISITS</b>								
Year	Statewide		Ownership of Agency					
	Visits per Patient	Hours per Visit	Governmental	Nonprofit	Proprietary	Visits per Patient	Hours per Visit	Visits per Patient
1991	63.1	2.7	36.6	2.9	44.8	2.1	117.1	3.2
1992	55.3	2.4	33.5	1.6	46.4	2.1	90.8	3.0
1993	48.6	2.2	36.0	1.7	42.5	2.0	74.2	2.6
1994	48.9	1.9	36.7	1.4	41.3	1.7	82.2	2.3
1995	50.4	1.8	39.4	1.3	43.2	1.7	85.2	2.2
1996	52.0	1.8	40.7	1.3	45.9	1.8	86.9	2.1
1997	52.3	1.8	43.2	1.2	45.9	1.6	80.4	2.3
1998	43.2	1.7	35.6	1.2	35.3	1.7	79.8	2.0
1999	40.8	1.7	30.5	1.2	34.7	1.6	85.7	2.0
2000	41.5	1.7	30.7	1.2	35.9	1.7	81.5	2.0
2001	43.5	1.7	31.0	1.2	35.5	1.7	93.4	1.9

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Agency Trends

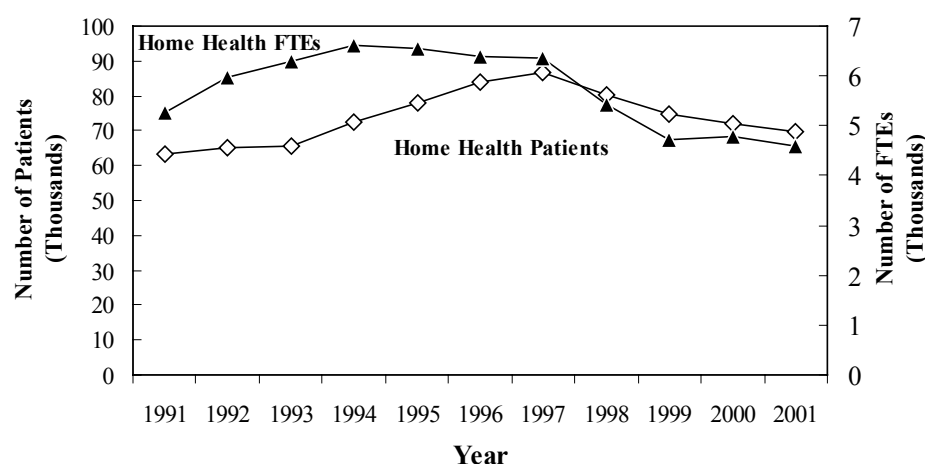
- Between 1991 and 2001, the average number of home health patients served increased 21 percent for each full-time registered nurse (RN), 27 percent for each part-time RN, 90 percent for each full-time licensed practical nurse (LPN), and 160 percent for each part-time LPN (Table 5).
- On average, each full-time home health aide (HHA) served 180 home health patients in 2001, compared to 69 patients in 1991. The number of patients served by each part-time HHA increased 170 percent (from 20 to 54 patients) during this period.
- In 1991, on average, there were 12 home health patients for each full-time equivalent (FTE) home health employee in Wisconsin (63,145 patients for 5,269 FTEs). In 2001, there were 15 home health patients for each FTE (69,929 patients for 4,605 FTEs).

**Table 5. Average Number of Patients Served by Each Full-Time and Part-Time Registered Nurse, Licensed Practical Nurse and Home Health Aide, Wisconsin, 1991-2001**

Year	Patients Served per Full-Time R.N.	Patients Served per Part-Time R.N.	Patients Served per Full-Time L.P.N.	Patients Served per Part-Time L.P.N.	Patients Served per Full-Time HHA	Patients Served per Part-Time HHA
1991	112	49	341	117	69	20
1992	102	42	480	120	93	22
1993	103	39	467	118	96	24
1994	96	38	634	124	114	26
1995	103	44	802	177	129	28
1996	109	49	662	202	154	29
1997	120	53	365	284	134	50
1998	107	53	696	245	166	41
1999	118	61	867	270	163	53
2000	127	61	661	289	170	53
2001	135	62	647	305	179	54

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 5. Number of Home Health Patients and Full-Time Equivalent Employees, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Agency Trends

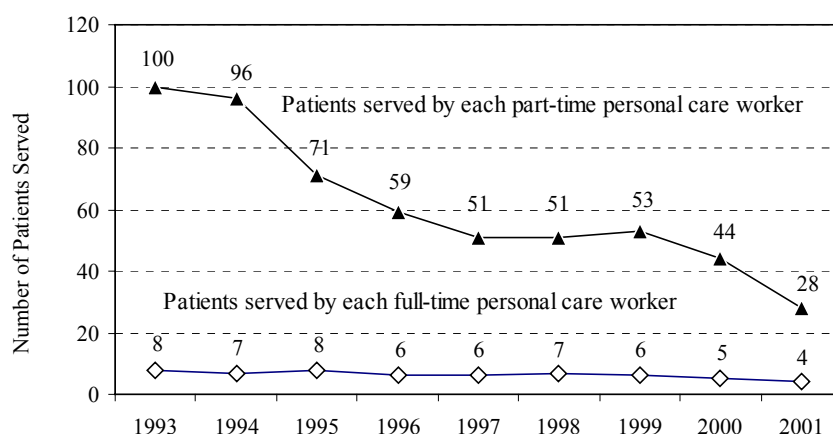
- In 2001, on average, each full-time RN in nonprofit home health agencies served 34 percent more patients than those who worked in governmental agencies, and 15 percent more patients than those in proprietary agencies (Table 6).
- Full-time home health aides (HHA) in governmental agencies had the heaviest workload through all these selected years (139 percent higher compared to those in proprietary agencies in 2001). Each part-time HHA in nonprofit agencies served more patients on average, compared to those in governmental and proprietary agencies (Table 6).
- The average number of patients served by each personal care worker (PCW) in home health agencies declined 72 percent for part-time PCWs and 50 percent for full-time PCWs between 1993 and 2001 (Figure 6).

**Table 6. Average Number of Patients Served by Each Full-Time and Part-Time Registered Nurse and Home Health Aide by Ownership Type for Selected Years, Wisconsin**

Ownership	Staffing	Year				
		1991	1995	1998	2000	2001
Governmental	Full-time registered nurse	118	107	106	97	95
	Part-time registered nurse	57	48	51	48	47
	Full-time home health aide	324	261	389	315	241
	Part-time home health aide	54	45	45	68	62
Nonprofit	Full-time registered nurse	121	103	117	141	144
	Part-time registered nurse	63	48	61	75	71
	Full-time home health aide	115	141	180	170	206
	Part-time home health aide	35	36	58	53	88
Proprietary	Full-time registered nurse	91	100	81	96	122
	Part-time registered nurse	28	33	37	35	43
	Full-time home health aide	26	80	101	106	101
	Part-time home health aide	8	14	18	20	19

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 6. Average Number of Patients Served by Each Full-Time and Part-Time Personal Care Worker in Home Health Agencies, Wisconsin 1993-2001\***



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: The related survey question was not asked before 1993.

## Agency Trends

- From 1991 to 2001, the number of full- and part-time RNs employed by Wisconsin home health agencies decreased by 13 and 8 percent, respectively. The number of full- and part-time home health aides decreased by 57 and 59 percent, respectively (Table 7).
- Home health aides, as a percentage of all home health employees, decreased about 50 percent from 1991 to 2001.
- During this period, the number of full-time personal care workers (PCWs) employed by home health agencies increased 378 percent and the number of part-time PCWs increased 189 percent.

**Table 7. Number and Percent of Part-Time and Full-Time Registered Nurses (RNs), Personal Care Workers (PCWs), and Home Health Aides (HHAs) Employed by Home Health Agencies, Wisconsin 1991-2001**

Year	Total Staff	Registered Nurses	Percent of Staff	Personal Care Workers	Percent of Staff	Home Health Aides	Percent of Staff
<b>PART-TIME</b>							
1991	6,867	1,299	19%	541	8%	3,124	45%
1992	7,735	1,490	19	830	11	2,943	38
1993	7,526	1,672	22	957	13	2,724	36
1994	8,101	1,873	23	1,127	14	2,805	35
1995	7,750	1,768	23	876	11	2,779	36
1996	7,793	1,706	22	1,058	14	2,878	37
1997	7,766	1,895	24	1,329	17	2,455	32
1998	6,525	1,497	23	1,183	18	1,944	30
1999	5,616	1,226	22	1,335	24	1,420	25
2000	5,707	1,182	21	1,611	28	1,361	24
2001	5,508	1,126	20	1,565	28	1,285	23
<b>FULL-TIME</b>							
1991	2,807	563	20%	49	2%	913	33%
1992	2,792	609	22	99	4	701	25
1993	2,783	637	23	77	3	684	25
1994	2,907	749	26	82	3	633	22
1995	3,016	754	25	102	3	603	20
1996	2,867	770	27	117	4	547	19
1997	2,911	742	25	161	6	626	22
1998	2,629	746	28	150	6	483	18
1999	2,293	634	28	145	6	458	20
2000	2,218	568	26	170	8	425	19
2001	2,264	518	23	234	10	391	17

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: For the survey years 1991-1999, this table reflects the number of employees in April of the year following the survey year. For the survey years 2000-2001, this table reflects the number of employees in early December of the survey year.

Row percents do not add to 100 because the total column shows all employees.



## Agency Trends

- Between 1991 and 2001, total home health admissions in Wisconsin increased 16 percent, and total discharges increased 18 percent (Table 8).
- The percent of home health admissions from private residences decreased from 27 percent in 1991 to 25 percent in 2001. Admissions from nursing homes increased from 4 percent in 1991 to 7 percent in 2001.
- The percent of discharges to general hospitals decreased from 17 percent to 8 percent between 1991 and 2001. The percent of discharges to private residences increased from 63 percent to 77 percent. Discharges to nursing homes decreased from 6 percent to 5 percent during this period.

**Table 8. Number and Percent of Home Health Admissions from and Discharges to Selected Settings, Wisconsin 1991-2001**

<b>Admissions</b>					
Year	Total Admissions	Private Residence	General Hospital	Nursing Home	Other
1991	54,768	27%	59%	4%	10%
1992	54,572	23	60	5	12
1993	58,555	25	59	5	11
1994	64,961	25	57	6	13
1995	71,054	23	60	7	10
1996	79,151	22	60	7	10
1997	80,999	24	57	7	11
1998	76,347	22	59	8	12
1999	71,508	20	61	7	12
2000	68,848	24	61	6	9
2001	63,497	25	60	7	8
<b>Discharges</b>					
Year	Total Discharges	Private Residence	General Hospital	Nursing Home	Other
1991	53,057	63%	17%	6%	14%
1992	54,800	61	19	5	14
1993	57,033	64	20	5	11
1994	63,222	66	18	6	10
1995	68,822	68	16	5	11
1996	78,091	69	16	5	10
1997	79,201	70	15	5	10
1998	76,171	71	14	5	10
1999	71,055	71	14	4	11
2000	68,847	73	14	4	9
2001	62,839	77%	8%	5%	10%

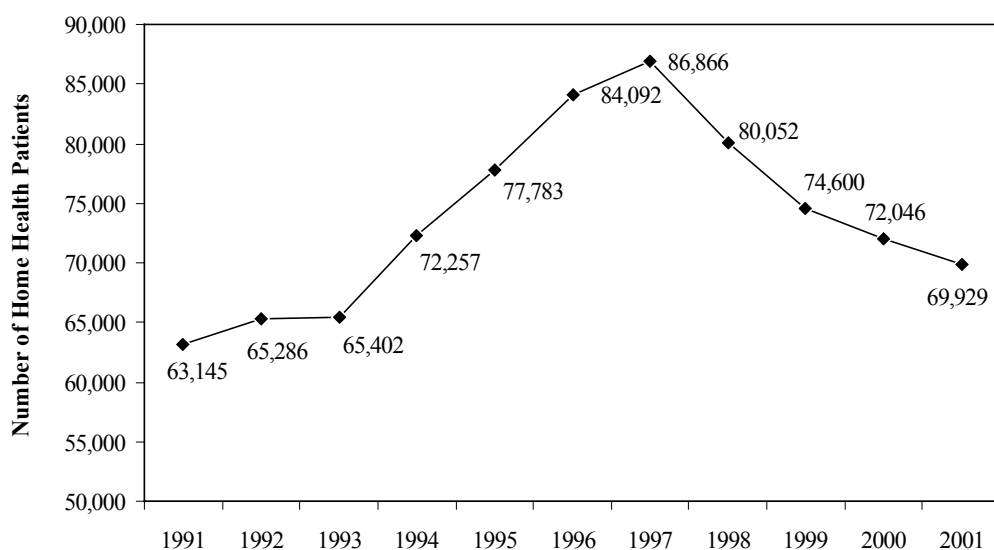
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Row percents may not add to 100 due to rounding.

## Patient Trends

- After peaking at 86,866 in 1997, the number of home health patients in Wisconsin declined 19 percent from 1997 to 2001. The number of patients in 2001 was, however, still 11 percent higher than in 1991 (Figure 7).

**Figure 7. Number of Patients Receiving Services from Home Health Agencies, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Home health patients include all patients receiving home health agency services, including personal care.

## Patient Trends

- The number of home health patients served by governmental agencies declined by more than half (54 percent) between 1991 and 2001. The number served by proprietary agencies decreased 22 percent, while the number served by nonprofit agencies was up 44 percent (Table 8).
- Nonprofit agencies served 59 percent of all home health patients in 1991 and 76 percent of patients in 2001 (Figure 8).
- In contrast, patients served by governmental agencies declined from 19 percent of all patients in 1991 to 8 percent in 2001. Patients served by proprietary agencies decreased from 23 percent to 16 percent of all home health patients.

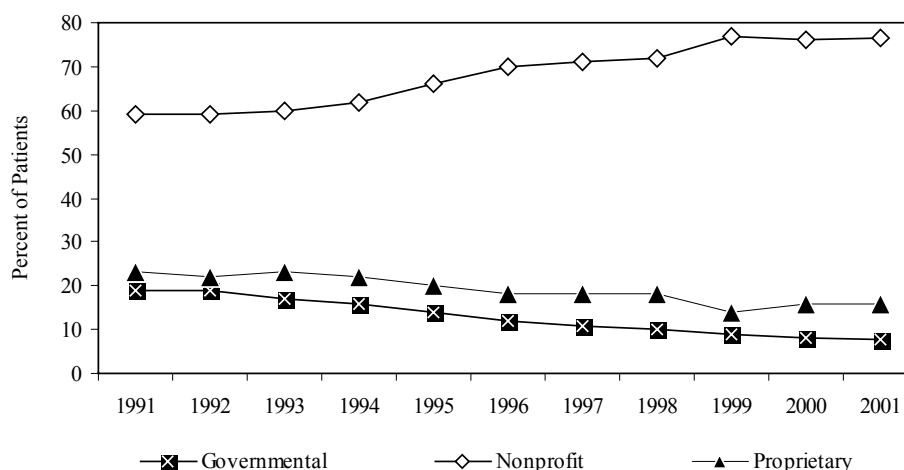
**Table 8. Number and Percent of Home Health Patients by Agency Ownership, Wisconsin 1991-2001**

Year	All Patients	Ownership of Agency					
		Governmental		Nonprofit		Proprietary	
		Patients	Percent	Patients	Percent	Patients	Percent
1991	63,145	11,670	19	37,121	59	14,354	23
1992	65,286	12,273	19	38,413	59	14,600	22
1993	65,402	11,148	17	39,448	60	14,806	23
1994	72,257	11,411	16	44,725	62	16,261	22
1995	77,783	10,716	14	51,126	66	15,941	20
1996	84,092	9,783	12	58,808	70	15,501	18
1997	86,866	9,123	11	61,796	71	15,947	18
1998	80,052	7,772	10	57,907	72	14,373	18
1999	74,600	6,369	9	57,808	77	10,423	14
2000	72,046	5,987	8	54,765	76	11,294	16
2001	69,929	5,310	8	53,473	76	11,146	16

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Row percents may not add to 100 due to rounding.

**Figure 8. Percent of Home Health Patients by Agency Ownership, Wisconsin 1991-2001**

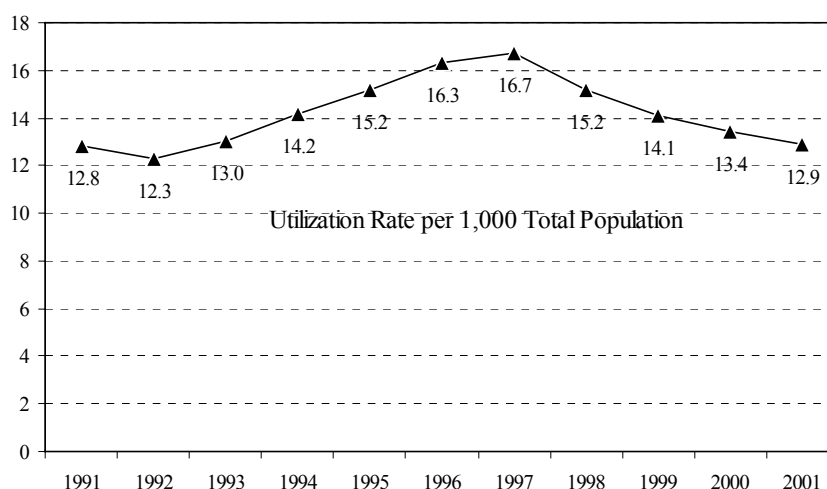


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Patient Trends

- The home health utilization rate in Wisconsin increased between 1991 and 1997 (from 13 to 17 per 1,000 population), and declined since 1997 (to 13 per 1,000 population in 2001) (Figure 9).
- Between 1992 and 2001, the home health utilization rate for both males and females aged 65 and older decreased, while the utilization rate for people under 65 increased (Table 9).
- The home health utilization rate for Wisconsin women aged 85 and over peaked at 174 per 1,000 population in 1997, then declined to 128 per 1,000 in 2001 (26 percent).
- The highest utilization rate for Wisconsin males aged 85 and over was 203 per 1,000 in 1996. This rate declined to 145 per 1,000 in 2001, a decrease of 29 percent.

**Figure 9. Home Health Utilization Rate, Wisconsin 1992-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: The utilization rate is the number of patients per 1,000 Wisconsin population. Counts for 1992 do not include personal care clients of home health agencies.

**Table 9. Home Health Utilization Rate by Age Group and Sex Per 1,000, Wisconsin 1992-2001**

Year	Utilization Rate for Females				Utilization Rate for Males			
	Under 55	55-64	65+	85+	Under 55	55-64	65+	85+
1992	2.8	3.4	71.3	130.4	3.0	2.6	58.9	154.1
1993	2.4	3.6	76.5	152.7	2.6	2.7	61.9	171.3
1994	4.2	16.2	79.2	150.3	3.0	12.4	63.0	164.7
1995	5.2	16.7	87.2	169.7	3.4	13.2	68.7	192.2
1996	7.2	16.5	86.0	168.7	4.1	13.4	71.2	202.6
1997	6.6	17.9	89.5	174.3	4.0	15.0	72.0	188.1
1998	5.5	17.9	82.0	153.8	4.2	14.8	66.9	157.9
1999	5.1	16.1	74.0	141.5	4.1	14.1	62.6	157.8
2000	4.4	16.5	71.3	136.7	4.0	14.4	60.7	160.9
2001	4.4	16.3	67.5	128.4	3.9	13.9	56.1	145.2

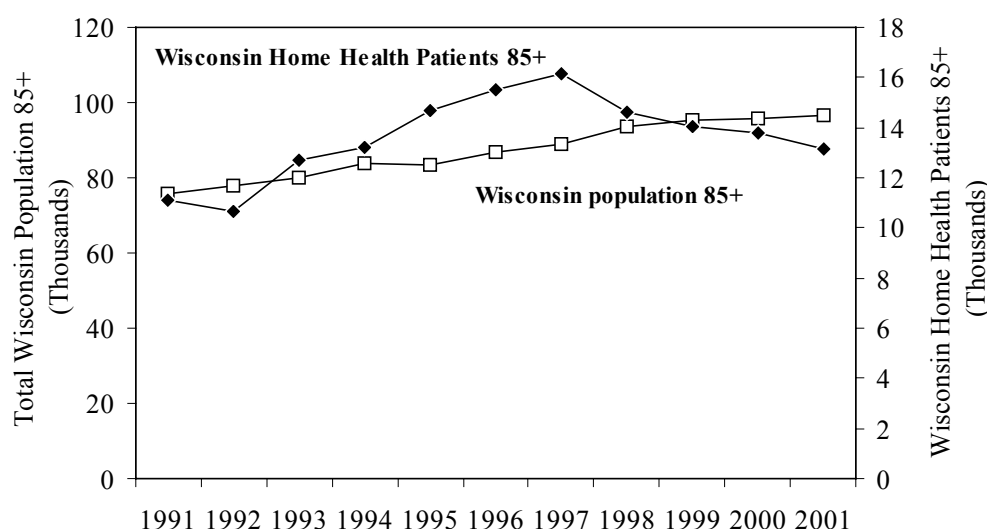
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: The utilization rate is the number of patients per 1,000 Wisconsin population in each age group. Counts for 1992 do not include personal care clients of home health agencies.

## Patient Trends

- The number of home health patients aged 85 and older increased 18 percent between 1991 and 2001. During this time, the number of Wisconsin adults in this age group increased 28 percent (Figure 10).
- Between 1991 and 2001, the total number of home health patients increased 11 percent, the number of patients under age 55 increased 47 percent, and the number of patients aged 85 and older increased 18 percent (Table 10).

**Figure 10. Number of Home Health Patients and Wisconsin Population Aged 85 and Older, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Table 10. Number and Percent of Home Health Patients by Age, Wisconsin 1991-2001**

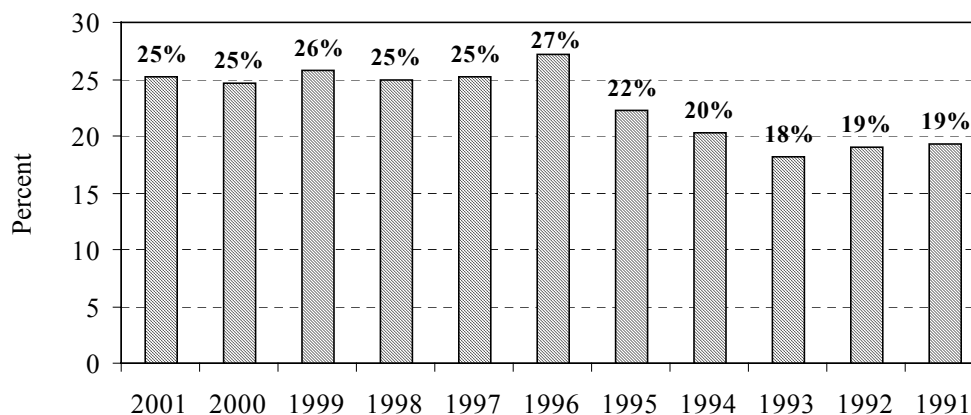
Year	All Patients	Patients Under 55	Percent Change	Patients 55-64	Percent Change	Patients 65-74	Percent Change	Patients 75-84	Percent Change	Patients 85 +	Percent Change
1991	63,145*	11,942	10%	5,826	2%	13,489	4%	19,599	7%	11,107	6%
1992	61,434	11,719	-2	5,649	-3	13,563	1	19,908	2	10,667	-4
1993	65,402	11,875	1	5,592	-1	14,233	5	20,989	5	12,713	19
1994	71,374	14,473	22	6,041	8	15,163	7	22,465	7	13,232	4
1995	77,783	17,308	20	6,204	3	15,873	5	23,686	5	14,712	11
1996	84,092	22,888	32	6,256	1	15,228	-4	24,038	1	15,519	5
1997	86,866	21,926	-4	7,148	14	16,350	7	25,300	5	16,142	4
1998	80,052	19,980	-9	7,248	1	15,122	-8	23,108	-9	14,594	-10
1999	74,600	19,222	-4	6,871	-5	13,497	-11	20,995	-9	14,015	-4
2000	72,046	17,722	-8	7,110	3	13,119	-3	20,298	-3	13,797	-2
2001	69,929	17,612	-1	7,069	-1	12,349	-6	19,756	-3	13,143	-5
1991-2001 Change	6,784	5,670	47%	1,243	21%	-1,140	-8%	157	1%	2,036	18%

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Notes: The total number of patients ("All Patients") in this table may differ from that in other tables because some agencies did not report their patients by age.  
The all patient number in 1991 included 1,222 patients for whom age was not reported.  
Counts for 1992 do not include personal care clients of home health agencies.

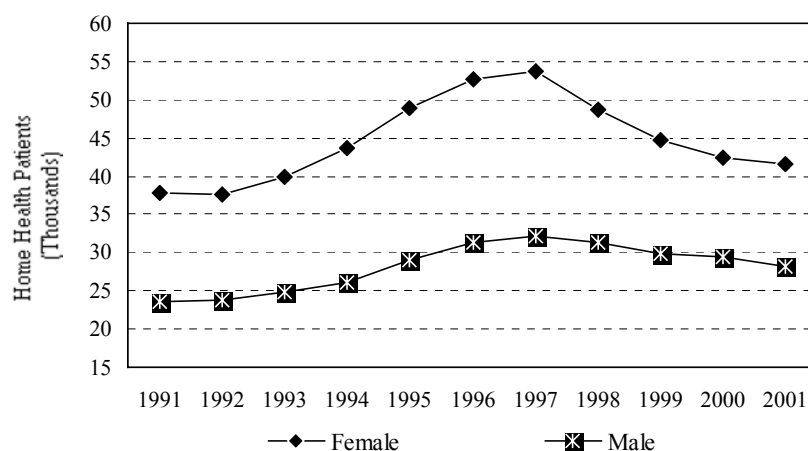
- In 2001, one out of every four home health patients was under age 55, compared to one out of five in 1991 (Figure 11). Primary diagnoses for younger patients varied widely, with 18 percent listed under the diagnosis of “conditions originating in the perinatal period” in 2001 (not shown).
- Females accounted for between 58 percent and 63 percent of home health patients in each year from 1991 to 2001. The number of both male and female patients increased between 1992 and 1997, and declined since 1997 (Figure 12).

**Figure 11. Percent of Home Health Patients under Age 55, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

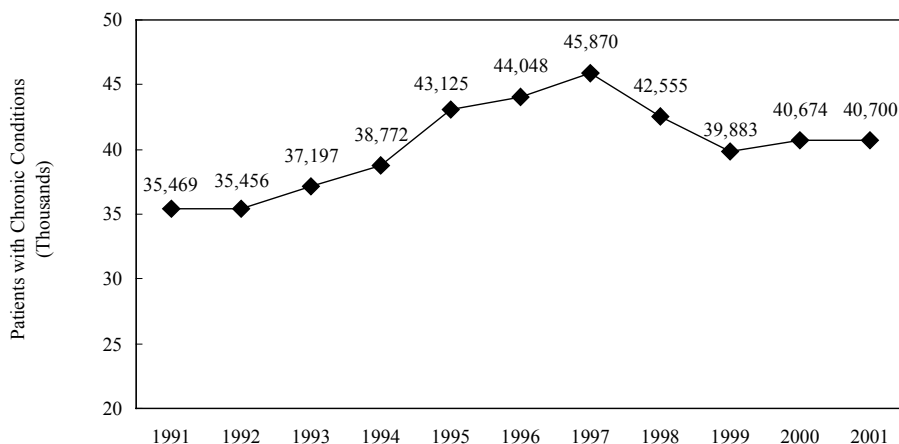
**Figure 12. Number of Home Health Patients by Sex, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

- The number of home health patients with chronic conditions increased 15 percent between 1991 and 2001, while the number of home health patients overall increased only 11 percent (Figure 13).
- The number of patients receiving home health care on a typical day increased 37 percent from 1991 to 1996, then declined 40 percent from 1996 to 2001. The overall decline from 1991 to 2001 was 18 percent (Figure 14).

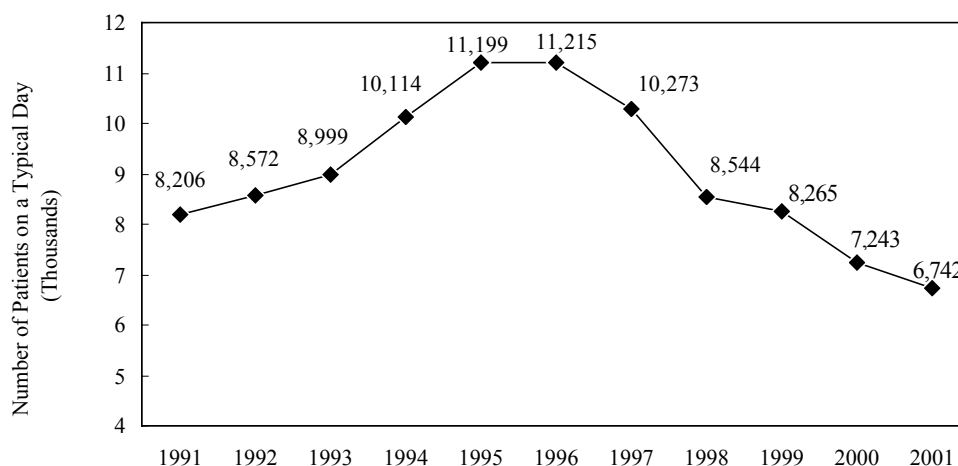
**Figure 13. Number of Home Health Patients with Chronic Conditions, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: Chronic conditions in this figure include cardiovascular disease, cancer, respiratory disease, diabetes, arthritis, osteopathies, stroke, central nervous system disorders and multiple sclerosis, cerebral palsy, paralysis, senile dementia, Alzheimer's, congenital anomalies, mental retardation, and HIV infection and AIDS.

**Figure 14. Number of Patients Receiving Home Health Care on a Typical Day, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: For 1991-1999, this figure reflects the number of patients on a given day in April in the year following the survey year; and for 2000 and later, it reflects a given day in December of the survey year.

- The percent of all home health patients served by governmental agencies on a typical day declined from 16 percent in 1991 to 7 percent in 2001 (Table 11). During the same period, the percent served by nonprofit agencies increased 4 percentage points, and the percent served by proprietary agencies increased 5 points.

**Table 11. Number and Percent of Home Health Patients Receiving Care on a Typical Day by Agency Ownership, Wisconsin 1991-2001**

Year	Agencies	Statewide Patients	Ownership of Agency		
			Governmental Percent	Nonprofit Percent	Proprietary Percent
1991	169	8,206	16	51	33
1992	170	8,572	14	48	38
1993	188	8,999	12	54	33
1994	192	10,114	12	58	30
1995	184	11,199	13	63	24
1996	193	11,215	12	59	29
1997	191	10,273	9	56	35
1998	172	8,544	8	58	34
1999	157	8,265	8	60	32
2000	155	7,243	7	55	38
2001	150	6,742	7	55	38

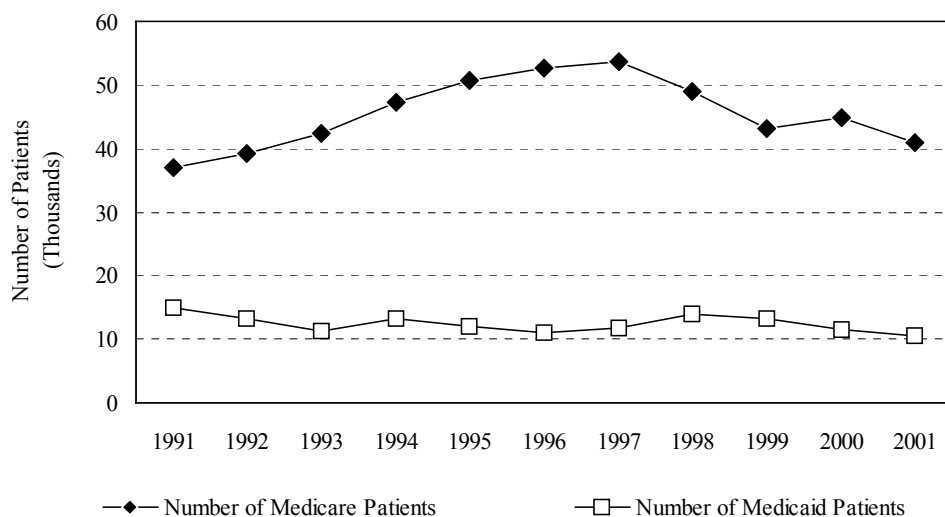
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Note: For 1991-1999, this table reflects the number of patients on a given day in April in the year following the survey year; and for 2000 and later, it reflects a given day in December in the same survey year.  
Percents may not add to 100 percent due to rounding.



- In 1991, there were two and a half times as many Wisconsin home health patients whose care was paid for by Medicare than Medicaid. In 2001, the ratio increased to 3.9 Medicare patients for each Medicaid patient (Figure 15).
- The number of home health patients with Medicare as a source of payment increased 45 percent between 1991 and 1997 (from 37,100 to almost 53,700), then declined to 41,000 in 2001 (24 percent).
- Medicaid was the pay source for approximately 10,600 home health patients in 2001, or 13 percent of all patients. This represented a 20 percent decline from the 1999 number (13,300).
- Some of the decrease in the number of patients with Medicaid is accounted for by the introduction of the Medicaid-funded Family Care benefit, available to eligible patients in five counties (since 2000 in four counties and since 2001 in one county). In 2001, Family Care was the reported source of payment for 5 percent of home health patients.

**Figure 15. Home Health Patients with Medicare or Medicaid as a Source of Payment, Wisconsin 1991-2001**



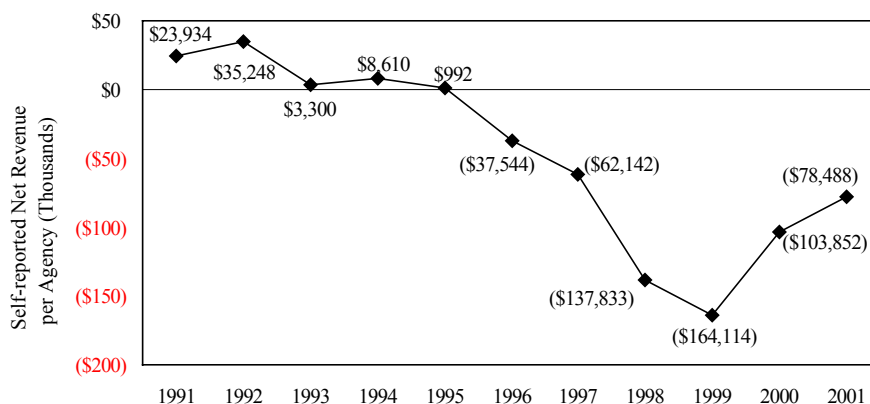
Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

Notes: Each patient can have more than one source of payment. For example, some patients have both Medicare and Medicaid, and are thus included in both groups shown in this figure. Patients with other sources of payment are not shown.

# Trends in Agency Revenue and Expenses

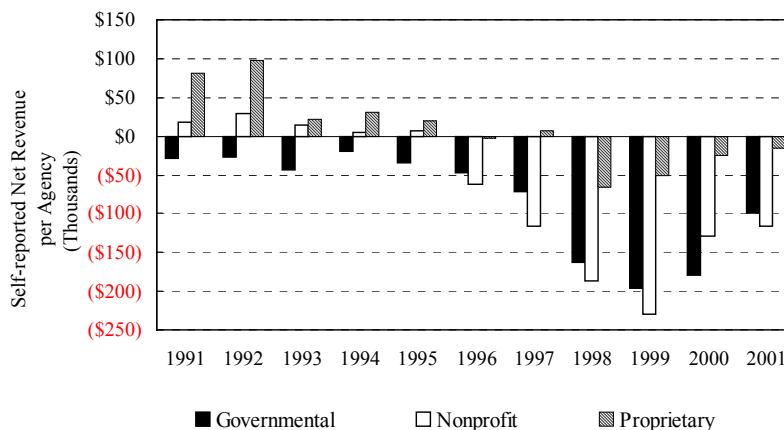
- On average, each Wisconsin home health agency had a loss of nearly \$78,500 in 2001, compared to an average profit of \$23,900 in 1991 (Figure 16).
- Based on self-reported revenues and expenses, 1995 was the last profitable year for Wisconsin home health agencies.
- On average, each nonprofit agency reported \$17,500 in net revenue in 1991, compared to an average deficit of \$115,760 in 2001. The average proprietary agency reported net revenue of \$80,400 in 1991, compared to a loss of \$14,670 in 2001. Government agencies reported net losses throughout this period (Figure 17).

**Figure 16. Average Net Revenue per Home Health Agency, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 17. Average Net Revenue of Home Health Agencies by Agency Ownership, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Trends in Agency Revenue and Expenses

- After reporting a record loss of \$25.8 million statewide in 1999, Wisconsin home health agencies cut their loss by 54 percent to \$11.8 million in 2001 (Table 12).
- Proprietary agencies reported a loss of \$700,000 in 2001, compared to profit of \$4.1 million in 1991.
- Governmental agencies, most of which are located in rural areas, reported a loss of \$3.1 million in 2001, 2.4 times their loss in 1991.

**Table 12. Total Revenue, Total Expense, and Net Revenue of Home Health Agencies by Agency Ownership for Selected Years, Wisconsin**

<b>TOTAL REVENUE</b>								
Year	Statewide Revenue Agencies (Millions)		Ownership of Agency					
			Governmental Revenue Agencies (Millions)		Nonprofit Revenue Agencies (Millions)		Proprietary Revenue Agencies (Millions)	
1991	167	\$172.4	47	\$16.9	69	\$79.9	51	\$75.6
1997	191	254.1	41	23.1	81	150.1	69	80.9
1999	157	188.0	32	12.5	73	119.6	52	55.9
2001	150	199.4	31	13.2	69	122.6	50	63.6

<b>TOTAL EXPENSE</b>								
Year	Statewide Expense Agencies (Millions)		Ownership of Agency					
			Governmental Expense Agencies (Millions)		Nonprofit Expense Agencies (Millions)		Proprietary Expense Agencies (Millions)	
1991	167	\$168.4	47	\$18.3	69	\$78.6	51	\$71.5
1997	191	266.0	41	26.0	81	159.5	69	80.5
1999	157	213.8	32	18.8	73	136.4	52	58.6
2001	150	211.2	31	16.3	69	130.6	50	64.3

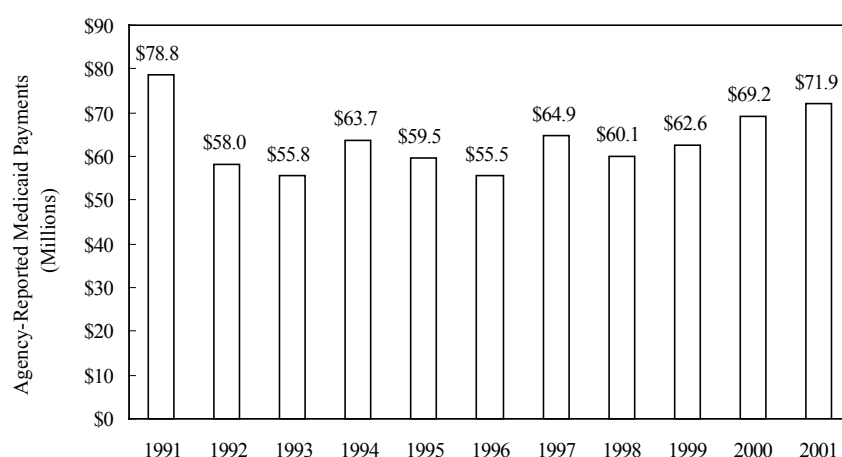
  

<b>NET REVENUE</b>								
Year	Statewide Net Revenue Agencies (Millions)		Ownership of Agency					
			Governmental Revenue Agencies (Millions)		Nonprofit Revenue Agencies (Millions)		Proprietary Revenue Agencies (Millions)	
1991	167	\$ 4.0	47	\$-1.3	69	\$ 1.2	51	\$4.1
1997	191	-11.9	41	-2.9	81	-9.4	69	0.4
1999	157	-25.8	32	-6.3	73	-16.8	52	-2.7
2001	150	-11.8	31	-3.1	69	-8.0	50	-0.7

Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

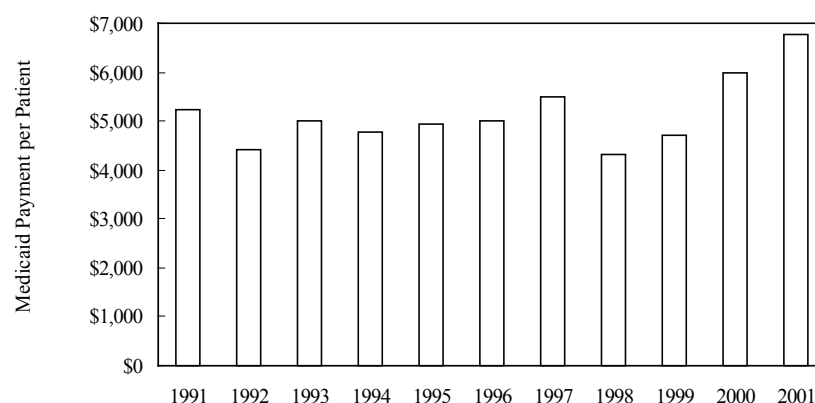
- As reported by home health agencies, Wisconsin Medicaid payments to those agencies for home health care reached a record high of nearly \$79 million in 1991. Wisconsin made changes in its Medicaid home health care policies in 1992; since then, Medicaid payments for home health care services ranged from \$56 million to \$63 million annually until 1999, but started to climb again in 2000 and 2001 (Figure 18).
- The average Medicaid payment per home health patient was \$6,780 in 2001, compared to \$5,244 in 1991 (Figure 19).

**Figure 18. Total Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 19. Medicaid Payment per Home Health Patient as Reported by Home Health Agencies, Wisconsin 1991-2001**

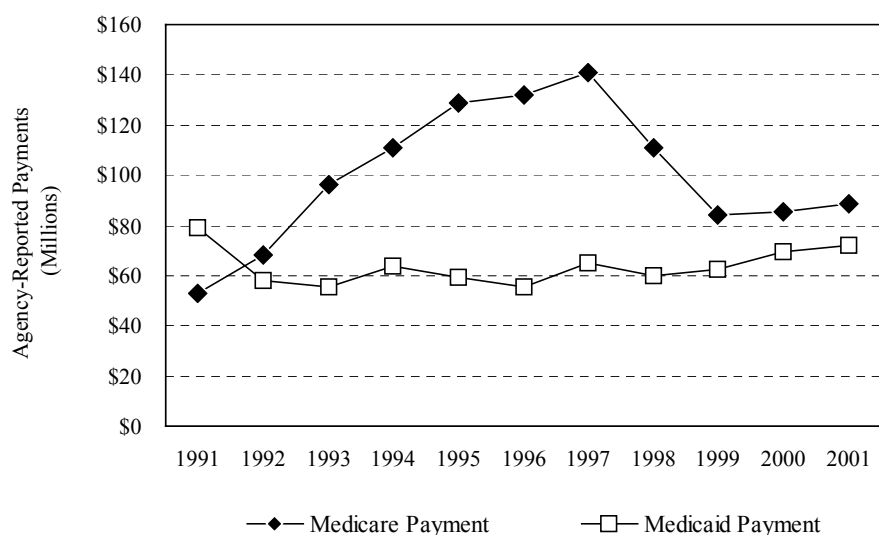


Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

## Trends in Agency Revenue and Expenses

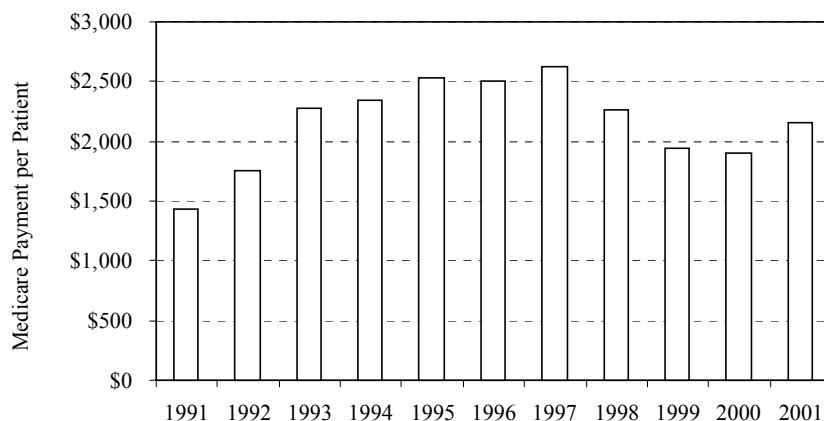
- Medicare payments to Wisconsin home health agencies increased 165 percent from 1991 to 1997, then declined 37 percent from 1997 to 2001. The overall increase in Medicare payments between 1991 and 2001 was 67 percent (Figure 20).
- Medicaid payments to Wisconsin home health agencies decreased about 9 percent between 1991 and 2001.
- The average Medicare payment per Wisconsin home health patient increased 51 percent from 1991 to 2001 (from \$1,430 to \$2,160) (Figure 21).

**Figure 20. Medicare and Medicaid Payments as Reported by Home Health Agencies, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Services.

**Figure 21. Medicare Payment per Home Health Patient as Reported by Home Health Agencies, Wisconsin 1991-2001**



Source: Annual Survey of Home Health Agencies, Bureau of Health Information, Division of Health Care Financing, Department of Health and Family Service

**Table 13. Medicaid Payments to Home Health Agencies and Other Home Care Providers as Reported by the Wisconsin Division of Health Care Financing, Wisconsin FY 1996-2001**

<b>State Fiscal Year</b>	<b>Home Health Agencies</b>	<b>Other Home Care Providers</b>	<b>Home Care Industry Total</b>
<b>1996</b>	\$60,969,133	\$28,673,321	\$89,642,454
<b>1997</b>	64,005,304	32,355,991	96,361,295
<b>1998</b>	73,204,308	41,704,220	114,908,528
<b>1999</b>	70,481,190	56,324,907	126,806,957
<b>2000</b>	67,393,427	69,419,148	136,812,575
<b>2001</b>	\$68,361,668	\$91,100,340	\$159,462,008

Source: Wisconsin Medicaid, Division of Health Care Financing, Department of Health and Family Services.

Note: Dollar amounts shown in this table include all Medicaid payments to Wisconsin home health agencies. The amounts reported in the "Home Health Agencies" category include payments to agencies providing home health services only, as well as to agencies providing home health and personal care services. The "Other Home Care Providers" category includes amounts paid to agencies that provided personal care *only*, and to independent nurses providing private duty nursing services and/or respiratory care services.

- As reported by the Wisconsin Division of Health Care Financing, Medicaid payments to Wisconsin home health agencies totaled more than \$68 million in state fiscal year 2001. Medicaid paid an additional \$91 million to other home care providers that year.
- DHCF-reported Medicaid payments to home health agencies increased 12 percent from 1996 to 2001, from \$61.0 million to \$68.4 million.

